

Occupation Forecast Methodology

Before using the data in these reports, readers should understand the methodology and note its limitations. The projections presented should be viewed as indicators of relative magnitude and probable direction rather than as forecasts of absolute occupational demand.

Furthermore, the occupational forecasts are only measures of expected employment and demand for labor and indicate little about future labor supply. It is therefore recommended that these data be used with other sources of occupational information.

Employment projections provided in this publication were developed in cooperation with and using techniques based on those developed by the U.S Department of Labor's Bureau of Labor Statistics. This methodology is comprised of five basic steps:

1. Industry employment data is compiled from CES and unemployment insurance tax records.
2. A fraction of the industry employment is assumed to be self employed or unpaid family workers. The fraction is determined from national surveys and is added to the state's industry employment data.
3. Staffing patterns from state and national data are used to divide each industry's total employment into the different occupations for that industry.
4. Each industry's total employment is calculated during the forecast period according to the short term industry projections for the same time period that were produced by the Office of Employment and Population Statistics. The industry projections are available online at: <http://www.azstats.gov/employment-forecasts.aspx>
5. Total employment in any occupation is not only calculated by changes in the total industry employment, but also by changes in share of that occupation's employment in each industry. The change in the share of total industry employment of any occupation is known as the occupational change factor. When the occupational change factor is determined for each occupation in every industry, the occupational forecasts are finished.

To avoid the possible disclosure of confidential employer information, some employment data have been suppressed.